

MEMORANDUM FOR: General Counsel

28 March 1952

SUBJECT: Eligibility of Contract Agents for Medical Benefits

1. Problem

There is a need for legal clarification and subsequent authoritative regulation regarding the subject benefits.

2. Assumptions

In order to simplify terminology, the following definitions will be assumed:

a. Contract agent: any individual, other than an actual employee, who receives payments from CIA funds, and whose rights to potential compensation claims against the Government are expressed or implied by written or verbal agreement.

b. Medical benefits: actual treatment under CIA sponsorship; reimbursement for medical or hospital expenses; or disability allowances from the Bureau of Employees Compensation.

3. Discussion

At the present time, all staff employees, and an undetermined percentage of staff agents, are physically examined in Central Building by the Medical Office prior to entrance on duty. The medical rights of this group are not involved in this memorandum. There is another vast group, loosely designated as "covert", "deep cover", "sterile", "deep freeze" or "hot", who are not permitted in the Agency buildings because of their cover restrictions. Apparently, these people are entitled to certain medical privileges depending upon the specific wording of their contracts. However, some of these individuals, notably the part-time employee dependent wives at [REDACTED] have no definite contractual agreements.

25X1A2d2

Although facilities are locally available for the EOD physical examination of covert personnel without compromising security, such screening has not been required of all cases, nor has it been considered necessary since they have not been presumed to be eligible for benefits. However, there is the possibility that, in the final legal interpretation by BEC, many of these individuals might later register a legitimate claim, regardless of their contractual understanding. If this is true, it is believed that the determination of pre-employment existence of disability will frequently hinge upon the EOD physical examination. This item, under current procedure, is often non-existent, since its accomplishment is entirely at the discretion of the individual case officer. Under such an inconsistent system, the Agency is placed in the position of blindly accepting potentially compensable applicants.

4. Conclusions

a. A blanket policy should be adopted in regard to all "contract agents" which will clearly define their eligibility for or positive denial of medical benefits.

b. If it is decided that "contract agents" are entitled to such benefits, or if by legal loop-holes or coercion they might obtain same, all such individuals should have a documented physical examination filed in their records prior to entrance on duty.

5. Action Recommended

a. It is requested that your office make such investigation and proposals as may be pertinent to the foregoing, and these opinions returned to this office.

[REDACTED]  
Deputy Chief, Medical Staff (AL/MD)

25X1A9a

AL/MD/PMG/nkk

Distribution:

Addressee - orig \* 1  
AL/MD (file) - 2  
SD/RE - 2

SECURITY INFORMATION

Approved For Release 2001/03/30 : CIA-RDP79-00434A000300020003-3

~~SECRET~~

~~CONFIDENTIAL~~

MEMORANDUM FOR: General Counsel

28 March 1952

SUBJECT: Eligibility of Contract Agents for Medical Benefits

1. Problem

There is a need for legal clarification and subsequent authoritative regulation regarding the subject benefits.

2. Assumptions

In order to simplify terminology, the following definitions will be assumed:

a. Contract agent: any individual, other than an actual employee, who receives payments from CIA funds, and whose rights to potential compensation claims against the Government are expressed or implied by written or verbal agreement.

b. Medical benefits: actual treatment under CIA sponsorship; reimbursement for medical or hospital expenses; or disability allowances from the Bureau of Employees Compensation.

3. Discussion

At the present time, all staff employees, and an undetermined percentage of staff agents, are physically examined in Central Building by the Medical Office prior to entrance on duty. The medical rights of this group are not involved in this memorandum. There is another vast group, loosely designated as "covert", "deep cover", "sterile", "deep freeze" or "hot", who are not permitted in the Agency buildings because of their cover restrictions. Apparently, these people are entitled to certain medical privileges depending upon the specific wording of their contracts. However, some of these individuals, notably the part-time employee dependent wives at [REDACTED] have no definite contractual agreements.

25X1A2d2

Although facilities are locally available for the EOD physical examination of covert personnel without compromising security, such screening has not been required of all cases, nor has it been considered necessary since they have not been presumed to be eligible for benefits. However, there is the possibility that, in the final legal interpretation by BEC, many of these individuals might later register a legitimate claim, regardless of their contractual understanding. If this is true, it is believed that the determination of pre-employment existence of disability will frequently hinge upon the EOD physical examination. This item, under current procedure, is often non-existent, since its accomplishment is entirely at the discretion of the individual case officer. Under such an inconsistent system, the Agency is placed in the position of blindly accepting potentially compensable applicants.

Approved For Release 2001/03/30 : CIA-RDP79-00434A000300020003-3 ACTION ACTION

~~CONFIDENTIAL~~ ~~SECRET~~

SECURITY INFORMATION

Approved For Release 2001/03/30 : CIA-RDP79-00434A000300020003-3

~~SECRET~~

~~CONFIDENTIAL~~

4. Conclusions

a. A blanket policy should be adopted in regard to all "contract agents" which will clearly define their eligibility for or positive denial of medical benefits.

b. If it is decided that "contract agents" are entitled to such benefits, or if by legal loop-holes or coercion they might obtain same, all such individuals should have a documented physical examination filed in their records prior to entrance on duty.

5. Action Recommended

a. It is requested that your office make such investigation and proposals as may be pertinent to the foregoing, and these opinions returned to this office.

  
Deputy Chief, Medical Staff (AL/MD)

25X1A9a

AL/MD/FEG/nkk

Distribution:

Addressee - orig & 1  
AL/MD (file) - 2  
SD/RE - 2

*Legal out*

Approved For Release 2001/03/30 : CIA-RDP79-00434A000300020003-3

~~SECRET~~

~~CONFIDENTIAL~~